Legislative Priorities

2005 General Assembly Session



The City of Hampton, Virginia

Hampton's Legislative Priorities are on the World Wide Web at hampton.gov/budget/legislative.htm

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City of Hampton 2005 General Assembly Session

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Critical Legislative Issues

Commonwealth of Virginia Military Communities Policy

<u>Authority to Facilitate the Development at Federal Installations</u> – Typically, Virginia experiences a net gain in the Department of Defense Base Realignment and Closure Process. The creation of an authority to facilitate investment by Federal Agencies in the Commonwealth will position the Commonwealth to expand defense or civilian federal operations in Virginia ~ creating more jobs and tax revenue.

REQUEST: Amend the law governing "Authorities for the Development of Former Federal Areas" to include the development of "Current Federal Areas" and provide expanded powers to achieve that end.

<u>In-State Tuition Rates for Military Personnel</u> – The Commonwealth of Virginia is one of only six communities in the Nation that does not allow military families assigned in State to receive in-state tuition rates at State supported institutions of higher education. The other States that do not provide in-State tuition for military families include: Indiana; Massachusettes; Michigan; South Dakota and Vermont.

REQUEST: Hampton urges the Governor and the General Assembly to allow military personnel and their dependents assigned in-state to receive in-state tuition rates.

Governor's Opportunity Fund (GOF) - The GOF, a critical piece in Virginia's economic development program, assists localities in the creation of new jobs and investment for existing and new businesses. As an effective deal-closing tool, a grant from the GOF adds value to a project with the expectations that a favorable decision will result for the Commonwealth.

REQUEST: The City requests that Virginia Code Section 2.1-51.6:5 (E) be amended to extend the criteria of the fund so that deals regarding development on federal installations and significant commercial deals can be included. In addition, the City requests that the current level of funding be increased \$50 million to assist localities dealing with pre-Base Realignment And Closure (BRAC) initiatives to increase jobs at Department of Defense installations and post-BRAC recovery efforts if an installation is closed. Without additional funding the Commonwealth will be at a disadvantage when competing for all economic development projects (including BRAC related initiatives) against other States, many of whom are increasing their incentives at this time.

Local Government Authority

<u>Charter Change ~ City Attorney Report Directly to City Council —</u> The Hampton City Council is requesting a Charter Change to have the City Attorney appointed by the City Council and serve at its pleasure. This practice is common among localities in the State of Virginia and serves to insure that the primary client of the City Attorney is the City Council. Currently the

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City Attorney is appointed by the City Manager with the advise and approval of the City Council.

REQUEST: Support the above referenced Charter Change to provide the Hampton City Council with the sole authority to hire and manage the City Attorney.

<u>Increase Penalties for Zoning Violations</u> – As buildings in communities across the Commonwealth age it is important that localities can provide the necessary deterant to make sure that property owners do not allow their properties to become a blight on their communities and drive down the property values of more responsible property owners.

REQUEST: Amend Section 25-3 of the Virginia Code to increase the penalties for property owners who violate the zoning ordinances.

- Raise penalty for first time offenders to \$250-\$1,000 (currently \$10-\$1,000 fine)
- Raise violation of those who do not correct the problem within 10 days of court order to \$500-Class 1 misdemeanor (\$2,500 fine plus 1 year in jail) (currently \$100-\$1,500 fine)

<u>Local Taxing Authority</u> – Each year bills are submitted that threaten to erode the taxing authority of local governments to support general governmental operations. Given the limited sources of revenue generation afforded to localities in Virginia any further erosion of our ability to generate revenues, and our discretion to use the revenues we generate to support local community priorities, will have a negative impact on service delivery and our ability to equitably balance the tax burden among our citizens.

REQUEST: The City requests that its delegation oppose the elimination or capping of any City taxes or fees unless they are replaced by a revenue source of equal or superior value and that allow the City to more equitably distribute the tax burden (the City will make these judgments on a case by case basis). The City also opposes any attempt to dedicate certain tax and fee revenue to a specific purpose.

Improvement of Boating, Fishing & Environmental Conservation - By reimbursing the Virginia Watercraft Sales and Use Tax revenues generated by Bass Pro Shops Outdoor World (approx. \$200,000 annually) in the City of Hampton to the City of Hampton revenues generated could be used to enhance and improve recreation opportunities for boaters and anglers (including, but not limited to, land acquisition, capital projects, maintenance, and facilities for boating and recreational fishing access to the waters of the Commonwealth including the reconstruction of the Buckroe Beach Fishing Pier, the dredging of Hampton's waterways, etc.) and environmental conservation initiatives (including, but not limited to, expanding and enhancing the Grandview Nature Preserve located in the City). Potential Virginia Code Section to Amend: §58.1-1410

REQUEST: The City requests its delegation to support legislation that provides the authority for reimbursing certain tax revenues to Hampton for the specific purpose of improving boating, fishing and environmental conservation in the City.

Commonwealth of Virginia Urban Policy

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<u>Commonwealth of Virginia Urban Policy Development</u> – Some progress has been made in bringing the issue of an urban policy to a level of effectiveness. An urban policy task force was formed to make recommendations to the Governor and state agencies in response to the need for an urban policy.

REQUEST: The City Council urges the Governor to make publicly available a report on the findings of the Governor's Urban Task Force so that recommendations can begin to be considered by the General Assembly.

State Tax Restructuring – While the City of Hampton commends the General Assembly for increasing the state Sales Tax in the 2004 Session to support additional funding for Schools, the State fiscal situation remains serious and is the result of fundamental weaknesses. Continuing revenue shortfalls have a direct and negative impact on local government finances, education systems and economic opportunities. And, while local responsibilities and obligations increase, the State is not fulfilling its obligations in the areas of education, transportation and human services. Local governments in turn have been forced to assume a greater burden in funding necessary services and local governments are reaching their limits on raising additional local revenues.

REQUEST: The General Assembly should approve restructuring of the tax system to distribute the tax burden more equitably (i.e., **net new revenue** for localities) in order to generate additional funds required for the State to fulfill its obligation to fund transportation, education and human services.

<u>Service Responsibility</u> – In older cities with a population profile that includes more poverty, higher crime rates and aging physical infrastructure, a greater level of service must be provided for the residents. Because of a strained and narrowing tax base, local revenue capacity cannot keep up with the growing demand for local service responsibilities. As a result, a significant burden is being placed on localities to provide the mandated service levels for jails, courts, social services, and CSA. It is vital that an equitably adjusted new balance be achieved regarding service responsibility that considers the revenue capacity and fiscal stress of cities.

REQUEST: The City supports the position that principal funding responsibility should be assumed by the Commonwealth for the following services: jails, corrections, health, social services, courts, CSA, mass transit and constitutional officers. The City is also opposed to any unfunded mandates that could be related to this or any other legislation that negatively impacts current levels of City resource allocations.

Education

<u>Standards of Quality/Standards of Accreditation</u> – In fiscal year 2005, the City of Hampton funded \$29,887,530 million more than required by the Virginia Standards of Quality. This additional revenue was required since the state has been unwilling to support full funding of the SOQs. While the State's efforts to begin to rectify this funding imbalance during the 2004 session is greatly appreciated, more still needs to be done.

REQUEST: The City requests that its delegation review proposed SOQ formula changes and the corresponding ratio requirement, so that the ratio reflects the actual costs

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of meeting the Standards of Learning and the Commonwealth pays its fair share of the real cost of education in Hampton and throughout Virginia.

<u>At-Risk Four-Year-Old Preschool Initiative</u> – During the 2004 General Assembly Session, the at-risk four-year-old preschool initiative was fully funded to cover 100% of at risk four year olds by 2006. The City of Hampton thanks the General Assembly for taking this very important step. The next challenge for the program is that it has been level funded on a per child basis for the past 10 years.

REQUEST: The City requests that funding to this program be increased at a minimum of the rate of inflation on an annual basis.

<u>State Aid to Public Libraries</u> – The Hampton Public Library has lost nearly \$100,000 in state aid since the recession of 2001. We request that state aid to libraries is restored.

REQUEST: The City requests that additional funds are provided for State Aid for Public Libraries, and that the funding formula for libraries is changed to allow an increase in State Aid to mid-sized library systems. The current formula favors large regional library systems and small systems at the expense of mid-sized systems like Hampton's. State Aid for Public Libraries is vital funding for keeping the information stored in our libraries current for citizens and students.

Economic Development

Support of Old Dominion University's Wind Tunnel operation — A significant investment needs to made in the 14' x 22' wind tunnel at NASA to maximize the enhance the testing capability and economic development potential of this asset. If the appropriate investment is made in this tunnel, the Commonwealth of Virginia can capture high performance motor vehicle testing that is currently sent overseas due to lack of appropriate facilities in the United States. Enhancing the tunnel's testing capability would entice major motorsports racing team operations to Hampton Roads (the economic impact of the motorsports industry located in North Carolina exceeds \$5 billion annually). At least two major automobile manufacturers have expressed interest in moving major wind tunnel testing programs to Hampton Roads. It also may be possible to attract significant open wheel and Formula 1 racing operations to Virginia. In addition, truck-manufacturing companies, ranging from Volvo heavy trucks, manufactured in Dublin, Virginia, to Ford F-150 pickup trucks, manufactured in Norfolk, can benefit greatly from these enhanced wind tunnel testing capabilities. The cost of building a new wind tunnel with similar capabilities would exceed \$50 million, thus upgrading the existing tunnel at Langley would give Virginia a nearly insurmountable competitive advantage.

REQUEST: Hampton supports O.D.U.'s proposal for \$8 million dollars to upgrade the wind tunnel's current capability, installing a "rolling road" test module for the 14' x 22' tunnel. This proposal includes \$1.5 million for badly needed renovations to the facility as well as \$6.5 million for a dedicated motorsports cart which includes the rolling road platform and balance.

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Human Services Delivery

<u>Virginia Juvenile Community Crime Control Act (VJCCCA)</u> – The 51% reduction in funding in FY 2003 resulted in the reduction and elimination of many key juvenile programs including intensive supervision, intake diversion, substance abuse screening and electronic monitoring just to name a few. These funds have not been restored

REQUEST: The City of Hampton urges the Virginia General Assembly to restore the 51% funding reduction to the VJCCCA program and to support an equitable and stable funding allocation process for the program.

<u>Comprehensive Services Act (CSA) Funding</u> – In recent state budget session, legislation has been introduced that would have increased the local match for non-Medicaid portion of the CSA to 50% across the board. This meant that every local government would have had to pay a 50% match, which is much higher than the City of Hampton's current match of approximately 32%. Had this measure been adopted, the cost to the City of Hampton would have exceeded \$500,000 a year.

REQUEST: The City of Hampton requests that the CSA remain held-harmless during the State budget deliberations. Specifically, the match requirement for localities should not be increased in an effort to help balance the State budget and all funding should remain at least level thus not putting an additional financial burden on localities during this difficult time.

Transportation

<u>I-64/Mercury Boulevard Interchange Landscaping</u> – The current construction at the interchange of I-64 and Mercury Boulevard in Hampton has caused significant disruption to the traffic flow and asthetic appearance of Hampton's central commercial district. Over 100,000 cars per day travel on this section of road in the Commonwealth. It is important for the image of the Commonwealth that the intersection is inviting to the many tourists who visit the Hampton Roads region each year. The appearance of this interchange is particularly important given the impending opening of the new Hampton Roads Convention Center in Hampton in the spring of 2005. The I-64/Mercury Boulevard interchange will be the primary interchange used to get to the Convention Center which is on the same campus as the Hampton Coliseum. These additional improvements will also compliment the millions of dollars of new investment planned in the Coliseum Business District in Hampton.

REQUEST: Hampton requests that the state allocate \$1 million (1/2 the estimated total cost) to enhance the landscaping around the I-64/Mercury Boulevard interchange including the installation of fountains in the planned water retention ponds.

<u>Transportation and Transit Funding</u> – The City of Hampton urges the State to fully fund existing obligations without creating competing interests among advocates of different transportation modes. Additionally, the state must begin to address future and documented funding shortfalls. In the short term, state leaders have an obligation to fully fund existing

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programs and plans without incurring increased and/or unjustifiable debt. In the long term, state leaders must begin to address documented and future corridor and project deficiencies and needs. Hampton is concerned about the State's undue reliance on state general funds to support transportation solutions. While the use of state general funds may help the state's leaders to address short term plans and support necessary and project-specific debt, its leaders must identify new and dedicated revenues that make it unnecessary to use limited state general funds needed for other vital programs.

REQUEST: Hampton urges the State to achieve greater funding equity for various transportation modes, especially public transit and transit alternatives, in order to produce a balanced transportation system. In addition, Hampton strongly encourages increased federal and State funding for transit systems provided that funding for other transportation modes is not reduced. A larger, dedicated source of federal and State funding for transit – including funds for existing operating and capital needs as well as start-ups – remains a critical priority, particularly as local participation (local match) increases.

Public Safety

<u>HB 599 Funds</u> – These funds, provided through an agreement between state and local government and a prohibition against annexation, are significant to the City of Hampton, resulting in approximately \$6.4 million in revenue for FY 2003.

REQUEST: The City supports the position that HB 599 remains intact and urges the General Assembly to "Keep the Promise" to fully fund HB 599. Actions counter to this would put undue pressure on local governments to find revenue to replace these funds that local governments and the Virginia Municipal League fought so hard to re-establish.

<u>Define Scooters in the Motor Vehicle Code of Virginia</u> – The Motor Vehicle Code of Virginia currently does not include a definition for "scooters." This oversight leads localities to try to interpret the code to determine how scooters may be regulated. Specifically defining "scooters" in the code would clarify the regulatory jurisdiction of localities.

REQUEST: Support amending Virginia Code Section 46.2-100 to include a definition for scooters. The definition should encompass both gas and electric powered scooters with an engine displacement of 50 cubic centimeters or less and a maximum speed of less than 20 miles per hour.

Standing Legislative Issues

Education

<u>Composite Index Adjustment</u> - The Composite Index was developed in 1980 by the General Assembly in an attempt to ensure fairness in the distribution of education funding to localities based on each locality's ability to fund its educational needs. The use of aggregate adjusted gross

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income (AGI) as 40% of the Composite Index overestimates the tax capacity of Virginia's older cities. The City of Hampton supports a new, fairer Composite Index that would include a "revenue effort" component.

<u>Virginia School for the Deaf and Blind</u> - The City supports the efforts to allow the Peninsula school divisions to determine the future educational uses of the Virginia School for the Deaf and Blind.

Human Services

Medical Care for Jail Inmates in Regional Jails – The Hampton Roads Regional Jail Authority (HRRJA) has had extensive discussions regarding the rising costs of medical care for jail inmates in regional jails, and the need for the State to compensate localities and their regional jails for inmate medical costs. Since the State currently does not provide specific funding for inmate medical costs, the City of Hampton supports HRRJA's position that the State should provide funding for their medical care due to the fact that medical care for inmates is the single fastest growing component of the HHRJA rate to localities and dedicated State funding will help to keep local per diem costs down for member jurisdictions.

Transportation

<u>City Street Maintenance</u> – Section 33.1-41.1 established the urban street maintenance payment by the Virginia Department of Transportation (VDOT) to certain cities and towns. The City supports the Virginia First Cities position to fund street maintenance at minimally the same growth rate as VDOT maintenance, thus reducing funding disparities between city street maintenance and state maintained roads.

Economic Development

<u>Business and Industrial Park Improvements</u> – The City supports funding to modernize and improve the functionality and aesthetic quality of existing business and industrial parks as well as the development of new business and industrial parks. Specifically, the City supports funding which would bring access roads, road improvements, and extension roads serving business and industrial parks up to State standards.

<u>Enterprise Zone Program</u> – The City supports the continuation of this program and automatic renewal of the enterprise zones located in Hampton and other Virginia First Cities communities since the conditions creating the need for the zones still exist.

<u>Business Visitation Program</u> – The City supports the reinstatement of this program that fell under the Department of Business Assistance. This program complimented local efforts and provided greater opportunity for business retention and expansion projects.

<u>Center for Innovative Technology (CIT)</u> – The City supports the continuing viability of CIT. This entity, with support and funding, can help communities and the Commonwealth maintain a competitive edge as it relates to technology industry opportunities.

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<u>Virginia Tourism</u> – Hampton opposes any funding cuts to the Virginia Tourism Corporation. Due to recent state funding cuts, VTC has had to curtail research efforts, marketing and other programs. Tourism is one of the main pillars of the Virginia economy and it should be funded appropriately to maintain the health of the Virginia tourism industry.

Public Safety

<u>Court Fee</u> – The City respectfully requests the General Assembly to allow the City to increase court fees by \$2.00. This would generate revenue to pay the debt service of the recently constructed and much needed Juvenile and Domestic Relations courthouse in the City of Hampton. City Council has stated its intent to only increase those court costs in the Juvenile and Domestic Relations Court.

<u>Traffic Signal Photo-Monitoring</u> – The existing pilot program ("photo-red") should be made state wide, which would permit the City to establish a traffic signal photo-monitoring system.

Hampton-Newport News Criminal Justice Agency — Over the past several years, the needs of pretrial services and community corrections programs have increased. The Hampton-Newport News Criminal Justice Agency (H-NNCJA) is the agency that provides these services to this geographical area. Funding provides investigation, supervision, treatment, and services for defendants and offenders who live in the community. The aim of the H-NNCJA is to provide quality services for improved public safety. The H-NNCJA has an excellent reputation for these services and they strive to help offenders become productive citizens, thereby increasing healthy families and healthy neighborhoods within the cities of Hampton and Newport News. There is a documented need for additional funding to improve the infrastructure of these agencies, much less improve the services available. Therefore, the City of Hampton supports the legislative priorities of the Hampton-Newport News Criminal Justice Agency.

Environmental Issues

<u>Solid Waste and Recycling</u> – Section 10.1-1414 of the Code of Virginia defines recycling in a manner that precludes counting the volume of solid waste that is used as fuel in waste-to-energy plants toward the recycling total for the community. Other states do include waste turned into energy in recycling/waste diversion calculations. The City requests that the State allow all solid waste used as fuel in waste-to-energy plants to count towards the total amount of waste diverted and/or recycled by the delivering locality.

Land Use/Zoning

<u>Eminent Domain Changes</u> – The City opposes any changes in the existing substantive law relating to specific eminent domain situations (condemnation) unless the changes are applicable to all eminent domain cases.

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